(b) and (c) Banks and FIs extend financial assistance to all eligible and viable projects of industrial concerns irrespective of location of the projects.

Postal charges for Outstation Cheques

36. SHRI S.K. KHABIR UDDIN AHMED : Will the Minister of FINANCE be pleased to state:

(a) whether banks not only take commission but Rs. 25 as postal charges also for ever outstation cheque (OSC);

(b) how much charges private banks are taking for every OSC; and

(c) what are the reasons for not crediting OSCs by using E-mail for exchange of information in the age of telecommunication, information technology?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL) : (a) and (b) Reserve Bank of India (RBI) have reported that with effect from September, 1999, commercial banks have been permitted to fix their service charges independently with the prior approval of their Board of Directors. Banks were advised that while fixing service charges for various types of services like charges for cheque collection etc. they should ensure that charges are reasonable and not out of line with the average cost of providing these services. Further, banks should also take care to ensure that the customers with low volume of activities are not penalized.

(c) The information is being collected and, to the extend available, will be laid on the Table of the House.

Rising Fiscal Deficit

37. SHRI RAJKUMAR DHOOT : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Chairman of the Twelfth Finance Commission has warned against rising deficit which would adversely affect economic growth;

(b) if so, the present position of deficit in relation to GDP as compared to the last year; and